

# H. R. No. 137.

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MARCH 20, 1816.

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Read twice and committed to a committee of the whole House,  
to-morrow.

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## A Bill

*To prevent the circulation of the notes of unchartered Banks, in the  
District of Columbia.*

1     *Be it enacted by the Senate and House of Representatives of*  
2     *the United States of America, in Congress assembled, That*  
3     it shall not be lawful for any unchartered banking company  
4     which may hereafter be formed, or commence its business or  
5     operations within the limits of the District of Columbia, to  
6     discount any notes or other securities for the payment of mo-  
7     neys, or to issue notes or bills, whether payable to order or  
8     bearer, or any other securities, promises, or orders for the pay-  
9     ment of money or stock, and every member, officer, or agent  
10    of any such company that may so commence or continue its

11 operations, shall be held to be as guilty of a misdemeanor,  
12 and for every such offence, upon a conviction thereof, may be  
13 fined in a sum not less than one hundred dollars, nor more  
14 than five hundred dollars.

1     **SEC. 2.** *And be it further enacted,* That whoever, as presi-  
2 dent, cashier, or agent of such company, shall sign, counter-  
3 sign, or endorse any suit, note, bill, or security, contrary to  
4 the provisions of this act, shall, in addition to the aforesaid  
5 penalties, be guilty of a high misdemeanor, and may be impri-  
6 soned for a period not less than three nor more than twelve  
7 months, at the discretion of a jury.

1     **SEC. 3.** *And be it further enacted,* That all drafts, bills, or  
2 other securities for the payment of money discounted contrary  
3 to the provisions of this act, whether the same be payable to  
4 any such company, or to any person, agent, or trustee, for  
5 such company, for the benefit thereof, and all contracts, bonds,  
6 deeds, penal or single bills, or other instrument, given to re-  
7 imburse or indemnify any person for any payment or respon-  
8 sibility incurred by such person for any debt contracted by any  
9 dealing contrary to the true extent and meaning of this act,  
10 shall be, and the same are hereby declared to be utterly void.  
11 to all intents and purposes.

1     **SEC. 4.** *And be it further enacted,* That if any person, as  
2 president, cashier, teller, or other officer, or agent, of any such

3 banking company, shall, from and after the commencement of  
4 this act, issue or pass into circulation, any such note, bill, or  
5 other security hereby prohibited to be issued, the person so  
6 issuing, together with each and every person who may be ac-  
7 cessory, and assenting thereto, shall be deemed and taken to  
8 have incurred the penalties prescribed in the first and second  
9 section of this act, notwithstanding the note, bill, or other se-  
10 curity so issued may have been signed, countersigned, or  
11 endorsed, before the commencement of this act.

1     SEC. 5. *And be it further enacted,* That this act shall com-  
2 mence from and after the passing thereof.